Mitchell Testifies He Met ITT Chief

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Former Attorney General John N. Mitchell testified yesterday that he met privately with Harold Geneen, president of the International Telephone and Telegraph Corp., while three government antitrust suits against the conglomerate were pending in the courts.

But Mitchell, now director of President Nixon's campaign for re-election, insisted that only general "antitrust policy" on conglomerate mergers was discussed, and not the ITT cases.

Appearing before the Senate Judiciary Committee, Mitchell also acknowledged meeting four times with ITT director Felix G. Rohatyn—two of them on the day that settlement negotiations were begun—but said that then, too, he did not discuss the pending cases.

Also present at those two meetings, Mitchell said, was White House aide Peter M. Flanigan.

The former Attorney General insisted that statements concerning him in a memorandum by ITT lobbyist Dita D. Beard "are totally false and totally without foundation."

Mrs. Beard's memo, published two weeks ago by syndicated columnist Jack Anderson, linked the antitrust settlement to ITT's offer of a $400,000 "guarantee" to help support this year's Republican National Convention.

Mitchell was on the witness stand most of the day, except when members of the Judiciary Committee were in executive session or on the Senate floor.

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Dr. Liszka's wife indicted in medicare case. A33.

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In the afternoon, Geneen waited in vain in a committee anteroom to testify. Geneen is the next scheduled witness after questioning of Mitchell concludes, perhaps today.

Repeatedly during his testimony yesterday, Mitchell chastised Democratic senators for asking him questions that he felt were unrelated to the main business of the hearings, the nomination of Richard G. Kleindienst to succeed him as Attorney General.

Mitchell commended Kleindienst as "pre-eminently qualified" for the Cabinet post.

He said it was a "scurrilous fact that three outstanding people"—Kleindienst, former Assistant Attorney General Richard W. McLaren and Solicitor General Erwin N. Griswold—"have been put in a position where their integrity, honesty and ability have been impugned."

"I for one," Mitchell added, "feel very strongly that they have been maligned throughout these hearings without cause, rhyme or reason."

Undaunted, Democrats pressed on with their questioning of Mitchell, and the hearings, originally requested by Kleindienst, appeared to have a long way to run. Until they have concluded, Senate leaders have said the Kleindienst nomination will not be voted on.

During a 50-minute closed session yesterday morning, the committee tentatively agreed to send a delegation to Denver next week to interview Mrs. Beard, who is suffering from heart disease at the Rocky Mountain Osteopathic Hospital.

Dr. Joseph Snyder, chief of the Cardiology Unit at the Presbyterian Medical Center in Denver, said in a special report submitted to the Judiciary Committee yesterday that her condition is not expected to improve enough to permit her to return here for "the next few weeks."

In another development yesterday, Sen. Thomas F. Eagleton (D-Mo.) delivered a Senate speech charging that another "missing witness" in the ITT investigation is White House aide Peter M. Flanigan.

Eagleton called Flanigan "the mastermind, the possessor of the scuttling feet that are heard, faintly, retreating into the distance in the wake of a White House-ordered cave-in to some giant corporation."

The Missouri senator charged that Flanigan was not only involved in the ITT case, but had intervened in other matters, including actions by the Environmental Protection Agency against major industries.

Eagleton's speech drew an immediate and angry retort from Sen. Norris Cotton (R-N.H.), who called the ITT hearings "an obvious attempt to reach into the White House and strike at the President."

Cotton contended that Eagleton "is trying to find something to distract the attention of the American people from the achievements of the Nixon administration, and we don't call for that kind of bunk."

Democrats on the Judiciary Committee have demanded that Flanigan testify about recruiting Richard J. Ramsden, a New York investment banker, to evaluate ITT's claims of "financial hardship" during the antitrust settlement negotiations.

Committee Chairman James O. Eastland (D-Miss.) has tentatively agreed to "invite" Flanigan—rather than subpoenaing him—but the invitation has not yet been officially transmitted to the White House.

Mitchell testified yesterday that the President would probably be justified in involving "executive privilege" if Flanigan is called and prevent him from testifying even if confidential communications with the President are not involved.

Sen. John V. Tunney (D-Calif.), who has pressed hardest for Flanigan's appearance, said that if executive privilege were invoked, it would be a "reasonable inference" that Mr. Nixon and Flanigan had discussed the ITT case.

At the White House, press secretary Ronald L. Ziegler reacted strongly to the Eagleton criticisms of Flanigan.

"The President has the utmost confidence in Mr. Flanigan and feels he has conducted himself properly," Ziegler volunteered when questioned about the requests for Flanigan to testify.

With reference to Flanigan's

role in the ITT case, Ziegler commented that White House staff members are assigned to talk to representatives of business, labor, educational, religious and other groups—"all sorts of groups, and the suggestion that whenever someone has a contact it is improper is absurd."

Much of Mitchell's testimony yesterday was taken up with his efforts to disassociate himself entirely from the ITT antitrust cases, the GOP convention contribution and Mrs. Beard.

"I do not as of this date know what arrangements, if any, exist between ITT or the Sheraton Hotel Corporation (an ITT subsidiary) and the Republican National Committee, or between ITT or any of its subsidiaries and the City of San Diego or any agency thereof," Mitchell said.

Discussing his ignorance of convention arrangements, the Nixon campaign chief at one point referred to "the Republican National Committee or whoever makes the decision" about the convention site.

Later, referring to the major insurance company that ITT was permitted to retain in settlement of the antitrust cases, Mitchell called it, "Hartford — or whatever the name of the insurance company was."

As for Mrs. Beard, Mitchell totally rejected the account she reportedly gave to columnist Anderson's associate, Brit Hume, about their encounter during a party after last year's Kentucky Derby.

Hume testified last week that Mrs. Beard told him of discussing specific terms of settlement in the buffet line at the Kentucky Governor's Mansion.

"What do you want to keep?" Hume said Mrs. Beard remembered being asked by Mitchell.

"Hartford and part of Grinnell," the lobbyist told Hume she had responded. "Well, you can't have Grinnell," she said was Mitchell's answer.

Laughing as Hume's testimony was read back to him, Mitchell said yesterday, "I have never used that language since I used to play Monopoly as a kid."

(In the eventual ITT settlement, the conglomerate did keep part of Grinnell, a fire protection equipment manufacturer, but gave up $1 billion worth of other assets.)

Mitchell also disputed the account originally given by California Lt. Gov. Ed Reinecke of meeting with the then Attorney General in Washington in May of last year to discuss the San Diego convention (Reinecke later said this took place in September.)

He said that Reinecke had called upon him here only in April and September and that while they "might have talked" about the convention, the main purpose of the visits was to discuss the economic development of California.

Describing his contacts with ITT-related people, Mitchell said he first saw Geneen on May 27, 1970, at a White House dinner for 45 "business leaders," where they had "purely social" contact.

On Aug. 4, 1970, at Geneen's request, the two men met again in the Attorney General's office for no more than 35 minutes, Mitchell testified.

"I assented to the meeting on the express condition that the pending ITT litigation would not be discussed," Mitchell said, since he had disqualified himself from all ITT cases because his former law firm did business with ITT subsidiaries.

As Mitchell recounted it, Geneen complained that "the department's antitrust policy with respect to conglomerates was to bring suits solely on the 'Bigness' theory. I . . . advised him that our policy was to bring litigation only where there was a showing of anti-competitive practices."

Pressed by Sen. Edward M. Kennedy (D-Mass.) and other Democrats, Mitchell insisted that the discussion with Geneen was a general one and never touched on the cases against ITT.

Committee members remained skeptical, however, that any "general" discussion could have avoided ITT cases.

At the time of the Mitchell-Geneen meeting, the Justice Department had filed a total of five antitrust suits against conglomerates, three of them against ITT. One, against Ling-Temco-Vought, Inc., had already been settled.

The meetings with Rohatyn, Mitchell said, concerned the efforts of Texas millionaire H. Ross Perot to rescue a failing New York brokerage firm by taking control.

They took place on April 29, 1971, the same day as a session arranged by Kleindienst where ITT officials presented their case of "hardship" to the Justice Department. Mitchell said he met with Rohatyn on two other occasions, after the ITT cases were settled.